

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1657 - SB 2033

March 1, 2020

SUMMARY OF ORIGINAL BILL: Requires, in addition to the United States flag, the Tennessee state flag to be displayed on each public school building in the state. Requires local boards of education to purchase the flags at wholesale prices, through a competitive bidding process, out of public school funds. Requires the Commissioner of the Department of Education (DOE) to specify the size and quality of the Tennessee state flags that school districts may purchase and to prescribe rules for the proper care, display, and observance of the flags.

FISCAL IMPACT OF ORIGINAL BILL:

Increase Local Expenditures – Exceeds \$42,600/FY20-21*

SUMMARY OF AMENDMENTS (012716, 015487): Amendment 012716 deletes and replaces language in the original bill such that the only substantive change is to require the State Board of Education (SBE), instead of the Commissioner of DOE, to specify the size and quality of the Tennessee state flags that school districts may purchase and to prescribe rules for the proper care, display, and observance of the flags.

Amendment 015487 deletes language to remove the requirement for local boards of education to obtain wholesale prices, through a competitive bidding process, when making the required flag purchase.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- SBE and local boards of education will be able to comply with the proposed legislation within existing resources.
- SBE and local boards of education will be able to amend their policies in accordance with the provisions of this legislation during the normal course of business; therefore, any fiscal impact is estimated to be not significant.

- The proposed legislation will require local boards of education to incur a one-time cost for the purchase of a Tennessee state flag as approved by SBE.
- It is not known how many schools currently display a Tennessee state flag; however, it is assumed that all schools will need to purchase a flag to meet SBE's size and quality specifications.
- Based on information provided by the Department of General Services, the cost per flag is estimated to be at least \$23.63.
- There are approximately 1,803 public schools in Tennessee.
- It is estimated that the proposed legislation will create a mandatory one-time increase in local expenditures that will exceed \$42,605 (1,803 x \$23.63) in FY20-21.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/alh